

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

MARTIN CALVILLO MANRIQUEZ, et
al.,

Plaintiffs,

v.

ELISABETH DEVOS, et al.,

Defendants.

Case No. 17-cv-07210-SK

**ORDER LIFTING STAY, SETTING
BRIEFING SCHEDULE, AND
REFERRING CASE TO MAGISTRATE
JUDGE FOR SETTLEMENT**

The parties appeared before the Court on October 7, 2019, for a further case management conference. As the Court expressed to the parties, the Court is deeply disturbed by Defendants' lack of compliance with the injunction entered in this case (Dkt. 60) and the sheer scale of violations of the injunction, as detailed in the compliance report submitted by Defendants (Dkt. 111) and at oral argument. Because the harm to the Plaintiffs is ongoing, despite the Court's injunction, and because Defendants have violated the injunction and continued efforts to collect on debts against thousands of people, the Court HEREBY LIFTS the stay that was entered pending appeal (Dkt. 88) in this matter.

The Court will now consider whether a finding of contempt, or monetary sanctions, or both are warranted. The Court therefore ORDERS that the Defendants may submit a brief on the issues of contempt and sanctions no later than October 15, 2019. Plaintiffs may submit a response no later than October 21, 2019. As discussed at oral argument, the Court requests that the parties address the following issues in their briefing:

1. The legal authority justifying or limiting a finding of contempt or an order of sanctions;
2. The types of remedy available and how each one would or would not further the

1 goals of aiding the Plaintiffs and strongly deterring future violations of the Court's
2 orders.

3 The Court ORDERS the parties to meet and confer regarding scheduling for the rest of the
4 case no later than October 15, 2019, and to submit a joint scheduling proposal no later than
5 October 21, 2019. The Court will also devise a system under which Defendants will be required
6 to report the status of their compliance with the injunction and the method in which Defendants
7 notify plaintiffs in the class; however, the Court is still considering the details of that system and
8 will issue a further order after considering the briefs noted above.

9 The Court further ORDERS that Defendants provide to Plaintiffs a complete list of the
10 names of the members of the affected class certified by the Court on October 15, 2018, along with
11 addresses both physical and electronic. (Dkt. 96.) In addition, Defendants shall clearly indicate
12 which class members have been affected by their noncompliance with the Courts' injunction and
13 how that class member has been affected (*i.e.*, "involuntary collection," "incorrect repayment
14 status," "lapse in forbearance," "voluntary repayment," etc.). Defendants must provide that
15 information to Plaintiffs by November 1, 2019.

16 Simultaneously, the Court REFERS this matter to Magistrate Judge Ryu for a mandatory
17 settlement conference, to be completed no later than February 4, 2020.

18 **IT IS SO ORDERED.**

19 Dated: October 8, 2019



20 SALLIE KIM
21 United States Magistrate Judge
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